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Collective and individual voice: convergence in Europe?

Chris Brewster, Richard Croucher, Geoff Wood and Michael Brookes

Abstract This paper uses longitudinal survey data from Britain, Germany and Sweden to examine whether, as some researchers have suggested, there has been a convergence internationally towards individual forms of employee voice mechanism and, if so, to measure the extent and trajectory of change. The paper begins by examining the importance of the employee voice issue. It then reviews competing accounts of the utility of different forms of employee voice and their manifestations within different varieties of capitalism. It is hypothesized that there has been a general trend away from collective and towards individual voice mechanisms; this reflects the predominant trajectory of managerial practices towards convergence with the liberal market model. This hypothesis is largely rejected. The data showed only very limited evidence of directional convergence towards individual voice models in the three countries. Collective voice remains significant in larger organizations, and although it takes a wide range of forms that include but go beyond unions and works councils, this is a positive finding for proponents of those institutions.

Keywords Individual voice mechanisms; participation and involvement; varieties of capitalism; regulation theory.

Introduction

This paper uses survey data to examine whether, as often suggested, a convergence towards individual forms of employee voice mechanism in Britain, Germany and Sweden has occurred. It therefore contributes to debates about the nature and extent of convergence in HR practices within European organizations. The three countries fall within different ‘varieties of capitalism’ (Hall and Soskice, 2001) or different ‘business systems’ (Whitley, 1999). Britain is generally held to be an archetypical example of a liberal market economy and while both Germany and Sweden represent examples of more collaborative systems, the latter incorporates a stronger social dimension. Sweden also exhibited a stronger macro-economic performance in the 1990s and early 2000s

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and the Swedish context may be more favourable to those seeking to resist pressures towards the individualization of workplace practices.

The paper is structured as follows. We begin by examining reasons for the importance of the employee voice issue and then review competing accounts of the utility of different forms of employee voice and their manifestations within different varieties of capitalism. We discuss the nature of 'convergence' and 'divergence'. We hypothesize a trend away from collective and towards individual voice mechanisms. International survey data are then deployed to test this hypothesis and, finally, theoretical conclusions are drawn.

The importance of voice

Why is voice, as originally defined and discussed by Hirschman (1970) important within organizations? In the classical industrial relations literature, employee participation and involvement were located in *equity* terms, and involvement was seen as positive in promoting fairness at the workplace (Flanders, 1980; Fox, 1980; Woodall and Winstanley, 2001). In contrast, within the human relations tradition (e.g. Mayo, 1945), *efficiency* arguments were advanced and involvement was seen primarily in terms of motivation by enhancing perceptions of the firm as a community (Adams, 2005). The latter themes were echoed in subsequent HRM literature that also saw participation and involvement in efficiency terms but without the human relations tradition's humanist conceptions (Woodall and Winstanley, 2001). Their argument was underpinned by neo-classical assumptions that unions distorted the efficient operation of labour markets by inflating wages (Woodall and Winstanley, 2001). This meant that, at best, a trade-off occurs between increased wage costs on the one hand and possible transactional benefits on the other. At worst, unions were held to jeopardize competitiveness, and to exacerbate unemployment (Freeman and Medoff, 1984). The assumptions of the neo-classically based efficiency or business case viewpoint are less relevant currently than hitherto because the union wage premium appears to have greatly diminished in Europe. It has been suggested that the union membership wage premium disappeared in 1990s Britain (Forth and Millward, 2000). More recent work has shown that it persists there, although diminished (Bryson, 2002) while analysis of the most recent population data for the USA showed its persistence at a higher level there in the early 1990s (Budd and Na, 2000).

The viewpoint advanced by neo-classical business authors also has several theoretical limitations, as Kaufman (2004) explains. First, rationality is bounded – decision making is affected by limited cognition, imperfect information and emotion. Effective voice mechanisms can make exchange relations more efficient. Second, the costs of exit are particularly high for certain categories of labour, making voice mechanisms of great importance. Finally, no employment contract can be complete; voice mechanisms can help problems and issues to be identified and resolved.

More recent work has pointed to the central role of voice not only in terms of ensuring greater fairness within the workplace, but also as an essential foundation of a democratic society; at best, it gives workers a real say in corporate governance (Budd, 2004; Martens, 1992). Interestingly, Budd argues that this should be seen as distinct from both efficiency and equity concerns. While voice may impact efficiency and equity, it represents a moral imperative in its own right (Adams, 2005; Budd, 2004).

Forms of voice, participation and involvement

Collective voice includes all mechanisms based on employee collectives and, therefore, encompasses but is more than a synonym for trade unions and Joint Consultative Committees or Works Councils. Individual voice may be expressed through briefing groups,

problem-solving teams, regular meetings between management and the workforce at large, written forms of communication including newsletters and via notice boards, electronic communication including intranet and emails (including e-mail-administered employee surveys) and suggestion schemes (Bryson, 2004). Although these are sometimes categorized into union or management friendly forms (Colvin, 2004), practices exist that are harder to demarcate outside of power relations contexts. However, practices may be grouped by *dimension* (whether based on collective or individual voice) and *depth* (i.e. the extent to which a practice is likely to influence management decision making).

At the most modest level involvement entails consultation, or soliciting of opinions that may or may not be acted on, rather than bargaining (Wood, 1998). In contrast, participation accords employees a genuine – clearly demarcated – input into how the firm is governed, even if this input is limited. Examples of employee involvement include briefings or meetings where information is communicated by management and feedback solicited. While the latter constitute forums for individual voice, consultation can assume a collective dimension. The position is summarized in Figure 1.

For its proponents, individual voice allows firms to take account of the diverse needs of the modern workforce (Bryson, 2004). Conservative accounts have suggested that it allows closer and more direct communication between managers and other members of the organization, unmediated by unions or other interposing interests (Reddish, 1980: 298–301). However, collective voice allows workers greater freedom to table concerns without fear of victimization (Harcourt *et al.*, 2004). It may enhance productivity by reducing turnover; given the greater depth of collective voice, employees have less need to express concerns by quitting (Kaufman, 2004). It provides an essential mechanism for resolution of collective and individual problems arising from flexible working (Singe and Croucher, 2003). Management may restrict the depth of individual voice for fear of it assuming a collective dimension; in a unionized environment, managers are already reconciled to this possibility, and have reformulated their standpoint accordingly (Kaufman, 2004). Finally, collective voice mechanisms may increase productivity directly (see Brewster *et al.*, 2006). Hence, it has been argued that efficiencies are likely to be maximized through collective voice. These arrangements are most likely to be effective in favourable contexts; participation may lack credibility if security of tenure is low, and/or wage costs minimized (Kochan and Osterman, 2000).

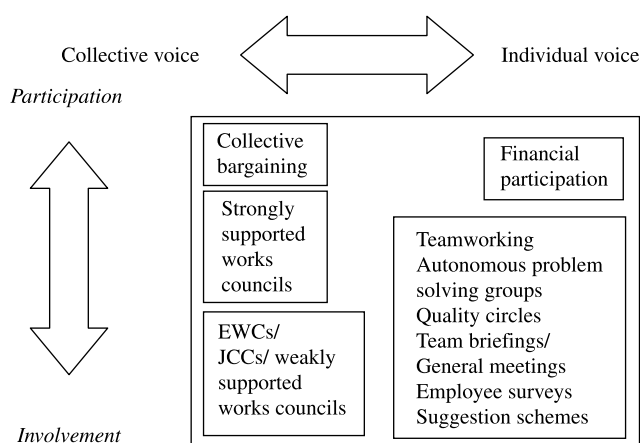


Figure 1 *Forms of voice, participation and involvement*

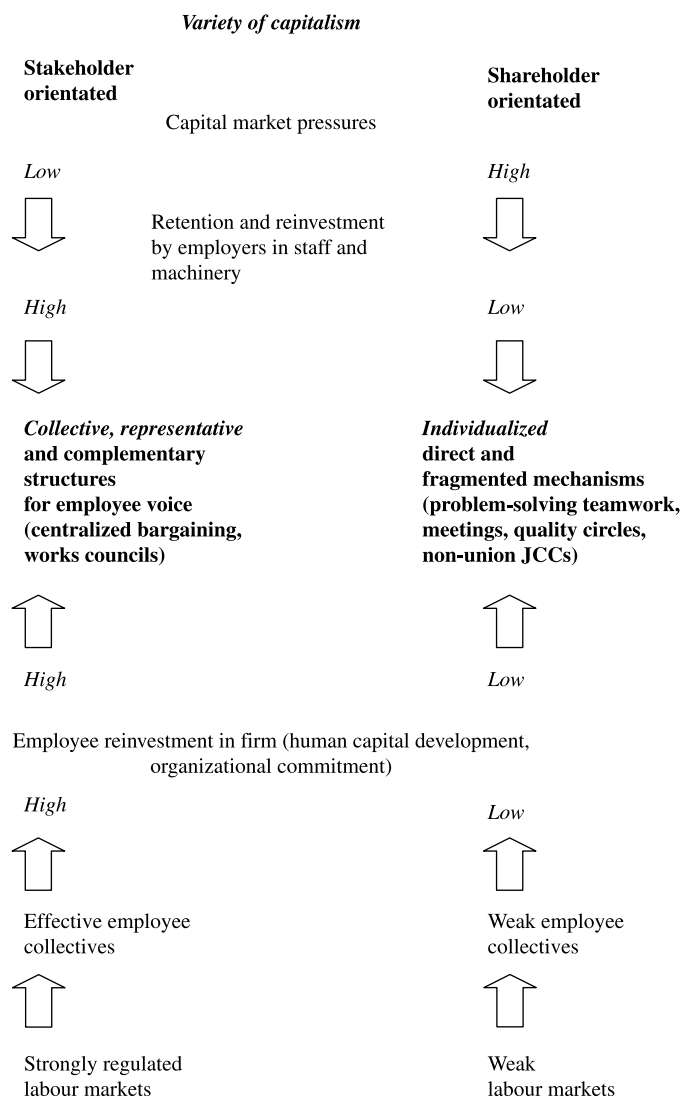
Unions and works councils clearly represent different forms of collective voice. Voice is *externalized* through unions; employees opt for a multi-workplace body as their representative, to bargain on their behalf. In contrast, members of works councils or joint consultative committees (JCCs) are responsible only to the workers in that workplace who elected them. It may be argued that the latter form of voice would be more effective since representatives are more directly accountable to their constituents. Yet greater indirectness may make for greater strength. Not only are union officials not employed by the firm less susceptible to victimization (Harcourt *et al.*, 2004), but they can call on union resources to formulate well-researched bargaining positions, and are better equipped to make comparisons with other firms' practices. Hence, it may be that *internal representational voice* represents a distinct, inferior (because more limited) form to that which is *externalized* to the union (Harcourt *et al.*, 2004; c.f. Millward *et al.*, 2000). It may, therefore, be favoured by employers as a means of weakening collective bargaining and the union role more broadly.

The relationship between JCCs, Works Councils and Collective Bargaining is dealt with in a separate paper by the authors. There, it is noted that JCCs *and* statutory works councils were associated with a union presence in liberal market and collaborative economies (Brewster *et al.*, 2006). There was no evidence that, over time, workplaces with a JCC were associated with a diminishing union presence. As British WERS findings show, JCCs often co-exist with collective bargaining (Kersley *et al.*, 2005). Hence, in this paper, we concentrate on the effects of individual voice on collective voice, the possible trajectory of change from one to the other, and whether there is a trans-national convergence to particular configurations of voice mechanisms.

Institutional complementarity and employee voice

Hyman (2004) argues that voice represents one feature of broader regulation of the employment relationship. Hence, the relative efficacy and sustainability of a particular voice mechanism is bound up with other systemic social and economic features. A central feature of national business systems is the manner in which governance is conducted within and beyond the firm. Thus, mutually reinforcing forms of voice may coexist in some systems, optimizing employee wages and working conditions, productivity and organizational performance (Hubler and Jirjahn, 2003). In other systems, inherent tensions between different forms of voice exist, with particularly strong pressures towards individual forms of expression (Bryson, 2004). As Hopner (2005) notes, countries such as Germany and Sweden, characterized by strong labour market institutions, have highly organized governance within the firm; these have been referred to as *stakeholder orientated* or *cooperative* varieties of capitalism, as opposed to Anglo-Saxon *shareholder-oriented* varieties (Dore, 2000; Hall and Soskice, 2001). These authors argue that employers and employees may vary the degree to which they choose to invest in the firm; labour through skills and organizational commitment, and management through reinvestment and building cooperative arrangements. This encompasses the extent to which employers and employees are mutually dependent through formalized rights and obligations, and the presence and nature of mechanisms aimed at fostering employee participation (Dore, 2000; Whitley, 1999). A defining difference between different varieties of capitalism in terms of HR practice is the *nature and degree of employer–employee interdependence* (Whitley, 1999). Firms operating in cooperative contexts are more likely to make use of *collective* and *representational* forms of participation, with different forms of representative participation often being complementary (Thelen, 2001).

The situation is summarized in Figure 2.

**Figure 2** *Institutional complementarity in different settings*

Notes: c.f. Dore (2000), Lincoln and Kalleberg (1990), Hall and Soskice (2001)

In Germany, strong legal support for co-determination institutions remains, supporting both employee commitment and unions' positions. Unions have retained a central position in the polity, thanks also to strong institutional mediation and mobilization capacity (Turner, 2004: 6); this is similarly the case in Sweden (Lindeberg *et al.*, 2004). Nonetheless, external pressures – including challenges posed by employers in the context of globalization – makes such institutional support vulnerable in these countries (Lane, 2000; Lindeberg *et al.*, 2004: 282; Turner, 2004: 7). Indeed, union density declined in Germany through the late 1980s and 1990s, although this in part reflects a function of

German reunification; actual membership increased (Behrens *et al.*, 2004: 19). Public discussion of 'labour market reform' in Germany has nevertheless increasingly centred on a supposed need to remove 'rigidities'. Employers call for works councils to be allowed to make agreements without union approval (Lane, 2000; Singe and Croucher, 2005), thereby seeking to disarticulate key elements of the IR system. Lindeberg *et al.* (2004: 282) suggest that, in Sweden, the employers' confederation SAF has set the terms of public discussion with similar arguments since the 1990s. In short, both Germany and Sweden have seen liberal market ideas used to question existing arrangements without these having been translated into significant state interventions to change the system's fundamentals.

In the UK, unions lost much strength in the Thatcher years, reflected in a loss of overall membership, and declining union density (Turner, 2004: 6). The lot of unions has improved somewhat under New Labour – union density has now stabilized at around 30 per cent – but gains have been limited, fragile and vulnerable to renewed governmental attacks (Turner, 2004: 7). The Labour government has passed three major statutes – the Employment Relations Acts of 1999 and 2002 and the Employment Act 2002 in a re-ordering of employment law which does 'not unduly constrain managerial prerogative' (Smith and Morton, 2004: 1). After the data reported on in this paper were collected, the Information and Consultation of Employees Regulations 2004 were passed, although this is relatively weak legislation (Hall, 2005). Thus, the wider institutional supports for unions in the UK remain limited, ensuring that union-based collective voice remains vulnerable.

Convergence, divergence and difference

A growing body of literature has explored whether HRM practices within firms are losing their national distinctiveness (cf. Weber *et al.*, 1998). It has been suggested that there are inevitable global pressures towards weak regulation, low commitment and weak organizational citizenship (Duysters and Hagedoorn, 2001). The gradual global diffusion of the US model is posited (cf. Locke *et al.*, 1995). Convergence theories recognize the persistence of variations, but suggest that, over time, they will be of diminishing salience.

Convergence theories hold that differences in management systems associated with different national historic paths have been superseded by the logic of technology and markets, held to require the adoption of universally applicable management techniques (Kidger, 1991). Convergence theories tend to assume that management practices are exclusively driven by a desire to maximize technological or economic efficiency; only limited attention is accorded to the specific socio-political context (cf. Kerr, 1983). It was suggested in the early 1990s that convergence in the EU towards a shared alternative to the US model was likely (Due *et al.*, 1991). However, considerable diversity clearly persists within Europe. A lack of evidence for convergence might suggest either stasis or divergence, in both cases underscoring the embeddedness of national institutions (Hollingsworth and Boyer, 1997; Poole, 1986).

The US HRM model includes a weakening of the collective basis of employee voice, and a shift to individual voice, geared towards enhancing productivity, rather than workplace democracy (Weinstein and Kochan, 1995). The US economy's relatively strong performance in the 1990s and early 2000s fuelled international interest in US management practices. Moves by many national governments towards labour-market deregulation, the global decline of organized labour, and the spread of neo-liberal ideologies all suggest that the environment has become more favourable for the diffusion of the US model, leading to the gradual supplanting of collective voice mechanisms by individual ones. However, in Europe forms of collective and representative voice are often

entrenched by law and norms: most notably in the Netherlands, Denmark and Germany, firms are required to have two-tier management boards, with employees having the right to representation on senior supervisory boards (Slomp, 1998). The EU remains committed to enhancing the role of 'social partners', as reflected in its promulgation of European Works Councils, the Information and Consultation Directive and the European Companies Statute.

Divergence theories

Institutional divergence accounts have long suggested that national contexts do not respond readily to the imperatives of technology, the market or largely permissive legislation from supra-national bodies, reflecting the embeddedness of institutions (DiMaggio and Powell, 1983; Hollingsworth and Boyer, 1997; Meyer and Rowan, 1983; Oliver, 1991). MNCs, anxious to maintain their image in host countries, may help to maintain this situation. Thus, surveys show US companies to be highly observant of German law in the industrial relations field (Singe and Croucher, 2005).

The complex range of forces at work underscores the different possible ways in which convergence or divergence may occur. Convergence may be towards an emerging new set of common practices, or in line with a specific set of practices within a particular country. There may be evidence of a trend in a particular direction or the final convergence of practices among the overwhelming or simple majority of firms. Therefore, it is possible to refer to *directional convergence* as distinct from *final convergence*. The latter is the type of convergence most commonly assumed in the literature, although it is often confused or conflated with other forms, possibly reflecting a limited use of longitudinal studies. Similarly, divergence may simply reflect the persistence of difference – this may be *stasis* – or, alternatively, a centrifugal tendency.

Statement of hypothesis

In sum, the varieties of capitalism literature suggests that within cooperative varieties of capitalism, mechanisms of employee voice are likely to include centralized bargaining, co-existing with and reinforcing other forms of representative voice, such as works councils. In contrast, in liberal market systems, collective bargaining is less likely to coexist with other voice mechanisms, which tend to be direct and individually orientated. There is little doubt that the variety of voice mechanisms has increased; however, the tendency to convergence (of whatever variety) is less clear, although it is commonly held that the predominant pressures are towards the liberal market model (see O'Hagan, 2002; Streeck, 1995). Hence our hypothesis:

Hypothesis: There has been a general trend away from collective and towards individual voice mechanisms, reflecting the predominant trajectory of managerial practices towards convergence with the liberal market model.

Method

Data

The data employed in this paper are from the repeating Cranet survey, which now contains evidence on human resource management policies and practices within private and public sector organizations in 22 European countries (Brewster *et al.*, 2004). The survey asks of the most senior HR professional a range of questions on company

policies and practices in the HR area. Technical details of the survey are discussed by Brewster *et al.* (2004). The dataset used is from the UK, Germany and Sweden and covers all four waves of the Cranet survey, i.e. 1991, 1995, 1999 and 2003, collectively giving a total sample size of 8,844 firms. These three countries are three of a small number from the original Cranet survey remaining within the project throughout. Consequently, making use of these three countries enables analysis to be undertaken across the longest possible period. These data are probably the best available at organizational level, and allow our longitudinal analysis to be brought close to the present in relation to the issues in hand. The data for each country are representative with respect to size of industrial sectors by employment, with each subsequent cross-sectional wave being adjusted to reflect changes in the relative size of industrial sectors. Hence the sample remains representative across the whole period considered. The study has inevitable limitations. Our data principally reflect the position in larger companies employing over 200, workplaces where collective voice mechanisms are most likely to be prevalent. Data combining employees' perceptions with those of managers would be very welcome to provide a control on managers' perceptions, but the latter remain key respondents for any study. The survey did not cover smaller firms (those with less than 200 employees). Given that in almost all national industrial relations systems, there are significant differences in practice between them and their larger counterparts this would constitute a fertile area for future analysis.

Mean company sizes in the three countries are for Britain 3,532; for Germany 5,774 and for Sweden 2,272 employees. In terms of unionization, companies both recognizing a union for collective bargaining purposes and containing at least some union members amounted to 71 per cent of the companies in the UK, 84 per cent in Germany and 95 per cent in Sweden. These are clearly higher rates of unionization than generally reported for these economies; the dataset contains a high proportion of unionized companies, and is, therefore, suitable for testing our hypothesis concerning the relationship between collective and individual voice since collective voice is widely present, although not exclusively so.

The model

The basic propositions are that there has been a trend away from collective and towards individual voice mechanisms, with countries converging in terms of voice mechanisms. Employees communicating with management through a trade union or a JCC/WC is used as the indicator of collective voice. Communicating through workforce meetings, team briefings, suggestion schemes and attitude surveys is used to indicate individual voice. It is to be expected that the decision to use collective and/or individual voice mechanisms reflects the environment in which the firm operates as well as the nature of its operations. The chosen voice mechanism is likely to be dependent upon two key factors. The first is the size of the firm, since larger organizations may tend to opt for more formal forms of voice (e.g. collective bargaining, works councils) than potentially informal voice mechanisms (e.g., general meetings) and smaller firms for less formal ones. This is not to suggest that all forms of direct and individual voice are informal; for example, workforce surveys administered by email may be highly structured. However, collective voice mechanisms such as works councils, JCCs and collective bargaining are likely to be relatively formal. This is because of the binding nature of many agreements, the relative complexity of negotiations, and the need for representatives to be accountable to their constituents. They may, therefore, be more likely to be encountered in larger firms. The second is industrial sector, since the typical mode of operation in each industry is likely to be more, or less, conducive to individual voice. Therefore in order to test the

two basic propositions empirical models are estimated. These use the presence of communication through trade unions or JCC/WCs on the one hand and workforce meetings, team briefings, suggestion schemes and attitude surveys on the other separately as the dependent variables with size and industrial sector as the explanatory variables.

For each country a series of binomial logit models are estimated of the form:

$$\text{Prob}(y_i = 1) = \frac{\exp(\beta'x_i)}{1 + \exp(\beta'x_i)}$$

where y_i is the use of communication through first trade unions or WC/JCCs, second through the other methods (1 = yes and 0 = no), x_i is the vector of explanatory variables, in this case size measured by number of employees and a set of dummies to identify 15 different industrial sectors and β their estimated coefficients.

The first dimension of the hypothesis, *that there has been a trend away from collective and towards individual voice*, is tested by pooling all four waves of data, then estimating the probability of communicating through collective and individual means for each country. The hypothesis suggests that there should be less individual voice, and more collective voice in the first wave, as well as more individual voice, and less collective, in the last wave, in all the countries under review. Therefore, a likelihood ratio test is applied to formally test if the use of individual voice is significantly lower in the first wave and significantly higher in the last wave, and vice versa for collective voice.

The second dimension of the hypothesis proposes that the predominant trajectory of these changes have been towards the liberal market/Anglo Saxon model, with the individualization of practices becoming widespread through the 1990s and 2000s. This requires that the data for all three countries is pooled. Then for 1991 and 2003 separately the empirical models are estimated, but on this occasion a set of dummies are included for each country with the UK as the reference category. If the convergence hypothesis holds, the differences between the countries should reduce over time, and the coefficients on the country dummies should be smaller in the latter wave as the countries converge.

Findings

In order to test the hypothesis, communicating with management through a TU or WC/JCC is used as the indicator of collective voice and using team briefings, workforce meetings, suggestion schemes or attitude surveys are used as indicators of individual voice. Table 1 below gives raw figures for each of these measures. The hypothesis would suggest that there should be a reduction in collective voice and a rise in the use of individual, but the reduction in collective voice only appears to be the case in the UK while there is evidence of increased use of individual voice particularly through attitude surveys and suggestion schemes.

The hypothesis also suggests that the three countries should be converging towards the liberal market/Anglo-Saxon model. Figure 3 maps the use of collective voice through JCC/WCs or trade unions over the period considered, and reveals that there has been no real convergence. Sweden has maintained a high level of use throughout, while the UK and Germany were initially moving away from collective voice, but in more recent survey waves have returned to levels similar to the initial survey. In short, the use of voice method is not moving in a simple convergent direction and is subject to contingencies that in terms of method (other than team briefings) Germany and the UK appear to share but Sweden does not.

Table 1 *Use of voice mechanisms, 1991–2003*

	<i>UK</i>				<i>Germany</i>				<i>Sweden</i>			
	<i>1991</i>	<i>1995</i>	<i>1999</i>	<i>2003</i>	<i>1991</i>	<i>1995</i>	<i>1999</i>	<i>2003</i>	<i>1991</i>	<i>1995</i>	<i>1999</i>	<i>2003</i>
% Using TUs or JC/WC's	82	78	71	77	90	94	93	92	95	99	99	98
% Using workforce meetings	69	80	81	83	79	94	92	94	n/a	99	99	99
% Using team briefings	n/a	86	89	93	n/a	74	76	75	n/a	96	99	98
% Using suggestion schemes	47	58	52	54	67	73	70	72	57	92	84	75
% Using attitude surveys	44	59	53	64	36	54	59	65	55	71	79	84
Observations	1,483	1,204	981	895	906	638	526	301	289	285	317	331

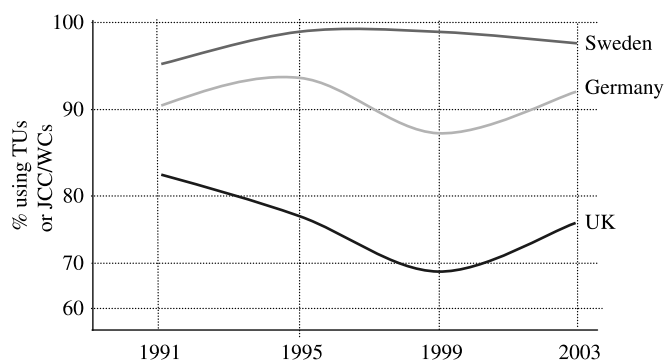


Figure 3 *Changes in the use of collective voice: 1991–2003*

Figure 4 maps individual voice through the incidence of workforce meetings. In this case it suggests a certain amount of convergence, with Sweden maintaining almost total coverage throughout while the UK and German display a large increase in its prevalence.

Figure 5 maps the use of team briefings. Use has remained high in Germany and Sweden, and has increased considerably in the UK. Use in Germany peaked in 1999 and fell away again in the 2003 survey. Thus, there is no support for the hypothesis that the first two countries have converged towards the Anglo-Saxon/liberal market model.

Some differences are likely to result from disparities in company characteristics and their environments, in this case between their organizational sizes and the industrial sectors in which they operate. Therefore, we next estimate the likelihood of voice occurring through collective or individual means as a function of size and industrial sector. This is done by estimating a series of logit models with communication through trade unions or JCC/WCs, workforce meetings and team briefings as the dependent variables.

In order to test the first sub-hypothesis, the models are estimated separately for each country using all of the available years. A likelihood ratio test is then applied. This simply tests that the structure of the model is the same in the earliest year as well as in the latest year. The hypothesis suggests that there should have been greater use of individual voice mechanisms, and less use of collective, over time. If that were the case, the null

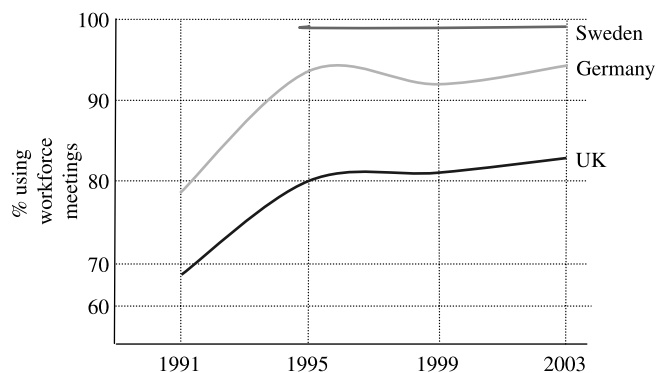


Figure 4 *Changes in the use of workforce meetings, 1991–2003*

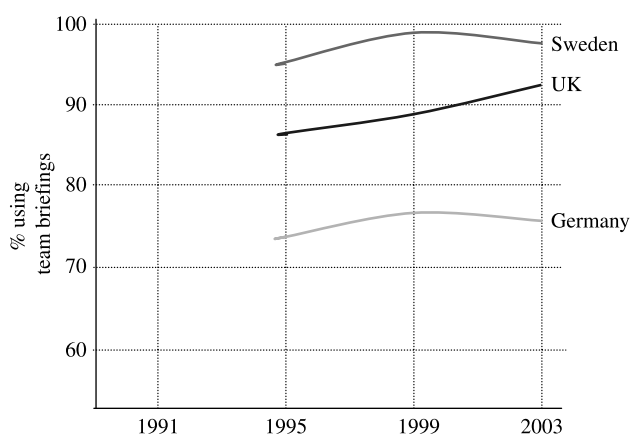


Figure 5 *Use of team briefings, 1991–2003*

hypothesis of the model being the same in both periods should be rejected in all cases. The results are summarized in Table 2.

Applying the likelihood ratio tests indicates a different picture in each country. First, Sweden displays a high level of coverage for most of the modes of communication and this remained consistent throughout the period. However the evidence does indicate a significant increase in the prevalence of suggestion schemes and attitude surveys. Second, the UK has followed the implication of the hypothesis fairly closely, with a decrease in collective voice, although it has increased again in the most recent survey. In addition, there is strong evidence of an increase in workforce meetings, suggestion schemes and attitude surveys as well as some evidence of an increase in team briefings in the UK. Finally, Germany shows very clear evidence of an increase in the prevalence of workforce meetings, suggestion schemes and attitude surveys but no other significant changes.

Testing the second sub-hypothesis requires estimating the models with all the countries' data included and adding country dummies to control for cross-country differences. The models are estimated for the first available year and then re-estimated using the 2003 data. In all cases, the UK is used as the base country, the confirmation of our hypothesis being that the impact of the German and Swedish dummies on the model should have fallen over the period considered. The results are summarized in Table 3.

Table 3 records the marginal effects of the country dummies on the model. Thus, for example, once controls were used for differences in size and industrial sector, firms in Germany were 11.4 per cent more likely in 1991 to use union or JCC/WC channels than similar firms in the UK, with this falling to 5.3 per cent by 2003. This supports the second sub-hypothesis, as it indicates that German and British firms are becoming increasingly similar over time in terms of their behaviour. However, beyond this there is very little support for the sub-hypothesis. None of the other changes, apart from German use of workforce meetings, reach any level of significance. Therefore, the second sub-hypothesis cannot be confirmed or rejected outright; there is little evidence of a general trend towards convergence by Sweden and Germany, but it seems that the latter may be infusing some aspects of the liberal market model. However it could be argued that there is simply a different picture in each of the three countries. Sweden

Table 2 *Structural test results*

<i>Category</i>	<i>Country</i>	<i>Structural test</i>	<i>LR test stat.</i>	<i>Outcome</i>	<i>Observations</i>
Communication through TU or WC/JCC	UK	1991 vs. 1995–2003	19.0	Accept	1483 vs. 3080
	UK	2003 vs. 1991–1999	33.6	Reject at 1%	895 vs. 3668
	Germany	1991 vs. 1995–2003	10.0	Accept	906 vs. 1465
	Germany	2003 vs. 1991–1999	4.4	Accept	301 vs. 2070
	Sweden	1991 vs. 1995–2003	3.6	Accept	289 vs. 933
	Sweden	2003 vs. 1991–1999	8.8	Accept	331 vs. 891
Communication through workforce meetings	UK	1991 vs. 1995–2003	135.6	Reject at 1%	1483 vs. 3080
	UK	2003 vs. 1991–1999	49.0	Reject at 1%	895 vs. 3668
	Germany	1991 vs. 1995–2003	112.0	Reject at 1%	906 vs. 1465
	Germany	2003 vs. 1991–1999	25.6	Reject at 1%	301 vs. 2070
	Sweden	1995 vs. 1999–2003	12.4	Accept	289 vs. 933
	Sweden	2003 vs. 1995–1999	8.0	Accept	331 vs. 891
Communication through team briefings	UK	1991 vs. 1999–2003	24.0	Reject at 5%	1483 vs. 3080
	UK	2003 vs. 1991–1999	19.4	Accept	895 vs. 3668
	Germany	1991 vs. 1999–2003	19.8	Accept	906 vs. 1465
	Germany	2003 vs. 1991–1999	9.0	Accept	301 vs. 2070
	Sweden	1991 vs. 1999–2003	18.8	Accept	289 vs. 933
	Sweden	2003 vs. 1991–1999	12.0	Accept	331 vs. 891
Communication through suggestion schemes	UK	1991 vs. 1999–2003	57.8	Reject at 1%	1483 vs. 3080
	UK	2003 vs. 1991–1999	26.8	Reject at 5%	895 vs. 3668
	Germany	1991 vs. 1999–2003	26.0	Reject at 5%	906 vs. 1465
	Germany	2003 vs. 1991–1999	10.4	Accept	301 vs. 2070
	Sweden	1991 vs. 1999–2003	60.1	Reject at 1%	289 vs. 933
	Sweden	2003 vs. 1991–1999	19.4	Accept	331 vs. 891
Communication through attitude surveys	UK	1991 vs. 1999–2003	39.8	Reject at 1%	1483 vs. 3080
	UK	2003 vs. 1991–1999	72.0	Reject at 1%	895 vs. 3668
	Germany	1991 vs. 1999–2003	27.4	Reject at 5%	906 vs. 1465
	Germany	2003 vs. 1991–1999	32.6	Reject at 1%	301 vs. 2070
	Sweden	1991 vs. 1999–2003	41.2	Reject at 1%	289 vs. 933
	Sweden	2003 vs. 1991–1999	26.8	Reject at 5%	331 vs. 891

Table 3 *Marginal effects of country dummies*

Category	Year	Marginal effects Germany	Marginal effects Sweden
Communication through TU or WC/JCC	1991	.1141 (.0165)	.1463 (.0326)
	2003	.0529 (.0141)	.1454 (.0262)
Communication through workforce meetings	1995	.1078 (.0179)	.2755 (.0329)
	2003	.0651 (.0175)	.2170 (.0232)
Communication through team briefings	1995	-.1302 (.0188)	.1184 (.0313)
	2003	-.1156 (.0156)	.1043 (.0255)
Communication through suggestion scheme	1991	.1212 (.0208)	.0470 (.0293)
	2003	.1510 (.0345)	.1951 (.0339)
Communication through attitude surveys	1991	-.0114 (.0210)	.0337 (.0318)
	2003	-.0393 (.0274)	.1497 (.0309)

continues on a steady path with broad and comprehensive use of all of the communication methods, while Germany and the UK are indeed converging.

Conclusions

This article has subjected national-level theories to organizational-level longitudinal analysis. We analysed the extent to which there has been a trend within organizations operating in Britain, Germany and Sweden towards use of individual rather than collective voice practices between 1991 and 2003. Our analysis gives the convergence argument some limited support in that German organizations, controlling for differences in size and sector, show a decreasing tendency to use their works councils. The finding is noteworthy since the German model has considerable wider significance for Europe. Nevertheless the data overall provide little support for the argument that convergence has occurred in a general sense, despite increasingly vociferous calls by neo-liberals for the greater individualization of employment relations in Western Europe. The direction of change has certainly not been linear. During the 1990s, the UK and Germany were initially moving away from collective voice, but have since returned to levels similar to those observed in 1991, apparently demonstrating a return to the use of collective voice by managers in both countries. This *de facto* return to these channels sits uneasily with much contemporaneous managerial rhetoric in both countries. However, collective voice is a broad term that goes well beyond trade unionism and encompasses different representational forms, processes and outcomes. Dundon *et al.* (2004) argue that voice represents a contested process shaped by both external regulatory pressures and internal managerial choice and suggest that it is critical to look at how well such mechanisms are embedded within the organization (Dundon *et al.*, 2004: 1167). It may be that the return to collective voice masks a shift in the content of voice processes towards more managerially-driven forms, a possibility that would require case study work to evaluate.

It was argued at the beginning of this paper that efficiencies are likely to be maximized through collective voice structures, and on this argument the results are positive. This central finding about a lack of directional convergence between countries should be seen against the background of the apparently more robust performance of liberal market economies in the early 2000s, and any demonstration effects at the organizational level that this might suggest. It appears clear that collective channels remain significant in larger organizations, a finding encouraging both to trade unions and proponents of other forms of collective voice such as works councils.

The findings have two main theoretical implications. The first is that researchers in the 'regulation school' (such as Boyer, 2004) who have argued that national systems continue to evolve according to a 'path dependent' logic specific to each country appear to be largely correct. The second is that 'universalist' US paradigms of HRM centring on the elimination of conventional collective voice mechanisms have only made limited headway in Western Europe; both collective bargaining and Works Councils remain key aspects of the industrial relations system in cooperative economies.

However, as noted above, there is evidence that the German system has been subject to some individualization of voice; most notably, there has been increased diffusion of direct forms of communication, most notably in the form of general meetings. This provides support for more pessimistic assessments of the current state of the German system of co-determination (Hassel, 2002). This is, in turn, of wider concern for the fate of the 'European model' of voice arrangements as propagated by the EU. Effective extension of the model to the new entrant states, at least in its stronger German form, may appear problematic if that form is in Germany itself in retreat not only on the political but also the organizational level.

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